

# HOUSE BILL No. 1640

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-10-8.

**Synopsis:** Group health insurance for retirees. Requires local unit public employers that provide group health insurance for active public safety employees to also provide group health insurance to: (1) full-time firefighters who retired or became disabled after March 1, 1985, and before July 1, 1989; and (2) surviving spouses and dependents of full-time firefighters who died after March 1, 1985, and before July 1, 1989, while in active service or after retirement.

**Effective:** Upon passage.

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**Kromkowski**

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January 19, 2005, read first time and referred to Committee on Public Safety and Homeland Security.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

## HOUSE BILL No. 1640

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 5-10-8-2.2 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.2. (a) As used in  
3 this section, "dependent" means a natural child, stepchild, or adopted  
4 child of a public safety employee who:

5 (1) is less than eighteen (18) years of age;

6 (2) is eighteen (18) years of age or older and physically or  
7 mentally disabled (using disability guidelines established by the  
8 Social Security Administration); or

9 (3) is at least eighteen (18) and less than twenty-three (23) years  
10 of age and is enrolled in and regularly attending a secondary  
11 school or is a full-time student at an accredited college or  
12 university.

13 (b) As used in this section, "public safety employee" means a  
14 full-time firefighter, police officer, county police officer, or sheriff.

15 (c) This section applies only to local unit public employers and their  
16 public safety employees.

17 (d) A local unit public employer may provide programs of group

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health insurance for its active and retired public safety employees through one (1) of the following methods:

- (1) By purchasing policies of group insurance.
- (2) By establishing self-insurance programs.
- (3) By electing to participate in the local unit group of local units that offer the state employee health plan under section 6.6 of this chapter.

A local unit public employer may provide programs of group insurance other than group health insurance for the local unit public employer's active and retired public safety employees by purchasing policies of group insurance and by establishing self-insurance programs. However, the establishment of a self-insurance program is subject to the approval of the unit's fiscal body.

(e) A local unit public employer may pay a part of the cost of group insurance for its active and retired public safety employees. However, a local unit public employer that provides group life insurance for its active and retired public safety employees shall pay a part of the cost of that insurance.

(f) A local unit public employer may not cancel an insurance contract under this section during the policy term of the contract.

(g) **Subject to section 2.3 of this chapter**, after June 30, 1989, a local unit public employer that provides a group health insurance program for its active public safety employees shall also provide a group health insurance program to the following persons:

- (1) Retired public safety employees.
- (2) Public safety employees who are receiving disability benefits under IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-8, or IC 36-8-10.
- (3) Surviving spouses and dependents of public safety employees who die while in active service or after retirement.

(h) A retired or disabled public safety employee who is eligible for group health insurance coverage under subsection (g)(1) or (g)(2) **or section 2.3(1) of this chapter:**

- (1) may elect to have the person's spouse, dependents, or spouse and dependents covered under the group health insurance program at the time the person retires or becomes disabled;
- (2) must file a written request for insurance coverage with the employer within ninety (90) days after the person retires or begins receiving disability benefits; and
- (3) must pay an amount equal to the total of the employer's and the employee's premiums for the group health insurance for an active public safety employee (however, the employer may elect to pay any part of the person's premiums).

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(i) Except as provided in IC 36-8-6-9.7(f), IC 36-8-6-10.1(h), IC 36-8-7-12.3(g), IC 36-8-7-12.4(j), IC 36-8-7.5-13.7(h), IC 36-8-7.5-14.1(i), IC 36-8-8-13.9(d), ~~IC 36-8-8-14.1(h)~~, **IC 36-8-8-14.1(h)**, and IC 36-8-10-16.5 for a surviving spouse or dependent of a public safety employee who dies in the line of duty, a surviving spouse or dependent who is eligible for group health insurance under subsection (g)(3) **or section 2.3(2) of this chapter:**

- (1) may elect to continue coverage under the group health insurance program after the death of the public safety employee;
- (2) must file a written request for insurance coverage with the employer within ninety (90) days after the death of the public safety employee; and
- (3) must pay the amount that the public safety employee would have been required to pay under this section for coverage selected by the surviving spouse or dependent (however, the employer may elect to pay any part of the surviving spouse's or dependents' premiums).

(j) A retired or disabled public safety employee's eligibility for group health insurance under this section ends on the earlier of the following:

- (1) When the public safety employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.
- (2) When the employer terminates the health insurance program for active public safety employees.

(k) A surviving spouse's eligibility for group health insurance under this section ends on the earliest of the following:

- (1) When the surviving spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.
- (2) When the unit providing the insurance terminates the health insurance program for active public safety employees.
- (3) The date of the surviving spouse's remarriage.
- (4) When health insurance becomes available to the surviving spouse through employment.

(l) A dependent's eligibility for group health insurance under this section ends on the earliest of the following:

- (1) When the dependent becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.
- (2) When the unit providing the insurance terminates the health insurance program for active public safety employees.
- (3) When the dependent no longer meets the criteria set forth in subsection (a).
- (4) When health insurance becomes available to the dependent

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through employment.

(m) A public safety employee who is on leave without pay is entitled to participate for ninety (90) days in any group health insurance program maintained by the local unit public employer for active public safety employees if the public safety employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance. However, the employer may pay all or part of the employer's premium for the insurance.

(n) A local unit public employer may provide group health insurance for retired public safety employees or their spouses not covered by subsections (g) through (l) **or section 2.3 of this chapter** and may provide group health insurance that contains provisions more favorable to retired public safety employees and their spouses than required by subsections (g) through (l) **and section 2.3 of this chapter**. A local unit public employer may provide group health insurance to a public safety employee who is on leave without pay for a longer period than required by subsection (m), and may continue to pay all or a part of the employer's premium for the insurance while the employee is on leave without pay.

SECTION 2. IC 5-10-8-2.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.3. After June 30, 2005, in addition to a group health insurance program required by section 2.2 of this chapter, a local unit public employer that provides a group health insurance program for its active public safety employees under section 2.2 of this chapter shall also provide a group health insurance program under section 2.2 of this chapter to the following:**

**(1) Full-time firefighters who, after March 1, 1985, and before July 1, 1989:**

**(A) retired; or**

**(B) began receiving disability benefits under IC 36-8-7 or IC 36-8-8.**

**(2) Surviving spouses and dependents of full-time firefighters who died:**

**(A) after March 1, 1985, and before July 1, 1989; and**

**(B) while in active service or after retirement.**

**SECTION 3. An emergency is declared for this act.**

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